



(BILLING CODE: 4810-02-P)

DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

Agency Information Collection Activities; Proposed Renewal: Comment Request; Renewal Without Change of Customer Identification Programs for Banks, Savings Associations, Credit Unions, Certain Non-Federally Regulated Banks, Futures Commission Merchants, and Introducing Brokers In Commodities

AGENCY: Financial Crimes Enforcement Network (“FinCEN”), U.S. Department of the Treasury.

ACTION: Notice and request for comments.

SUMMARY: FinCEN invites comment on a proposed renewal, without change, to information collections found in regulations requiring banks, savings associations, credit unions, certain non-federally regulated banks, futures commission merchants, and introducing brokers in commodities to develop and implement customer identification programs designed to allow the covered financial institution to form a reasonable belief that it knows the true identity of each customer. This request for comment is being made pursuant to the Paperwork Reduction Act (“PRA”) of 1995.

DATES: Written comments are welcome and must be received on or before [INSERT DATE 60 DAYS AFTER THE DATE OF PUBLICATION OF THIS DOCUMENT IN THE FEDERAL REGISTER.]

ADDRESSES: Comments may be submitted by any of the following methods:

- Federal E-rulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments. Refer to Docket Number FINCEN-2018-0013 and the Office of Management and Budget (“OMB”) control number of the

information collection(s) you wish to comment on (OMB control numbers 1506-0022 and/or 1506-0026).

- Mail: Policy Division, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183. Refer to Docket Number FINCEN-2018-0013 and the OMB control number of the information collection(s) you wish to comment on (OMB control numbers 1506-0022 and/or 1506-0026).

Please submit comments by one method only. Comments will also be incorporated to FinCEN's retrospective regulatory review process, as mandated by E.O. 12866 and 13563. All comments submitted in response to this notice will become a matter of public record. Therefore, you should submit only information that you wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: The FinCEN Resource Center at 800-767-2825 or electronically at frc@fincen.gov.

SUPPLEMENTARY INFORMATION:

The Bank Secrecy Act ("BSA"), Titles I and II of Public Law 91–508, as amended, codified at 12 U.S.C. 1829(b), 12 U.S.C. 1951–1959, and 31 U.S.C. 5311–5314 and 5316–5332, authorizes the Secretary of the Treasury, among other things, to require financial institutions to keep records and file reports that are determined to have a high degree of usefulness in criminal, tax, and regulatory matters or in the conduct of intelligence or counter-intelligence activities to protect against international terrorism, and to implement counter-money laundering programs and compliance

procedures.¹ Title III of the USA PATRIOT Act of 2001, Public Law 107–56, included certain amendments to the anti-money laundering provisions of Title II of the BSA, 31 U.S.C. 5311 et seq., which are intended to aid in the prevention, detection, and prosecution of international money laundering and terrorist financing.

Regulations implementing Title II of the BSA appear at 31 CFR Chapter X. The authority of the Secretary of the Treasury to administer Title II of the BSA has been delegated to the Director of FinCEN. The information collected and retained under the regulation addressed in this notice assist Federal, state, and local law enforcement as well as regulatory authorities in the identification, investigation and prosecution of money laundering and other matters.

Section 5318(l) of the BSA requires FinCEN to issue regulations prescribing customer identification programs for financial institutions. Those regulations, at a minimum, must require financial institutions implement reasonable procedures for (1) verifying the identity of any person seeking to open an account, to the extent reasonable and practicable; (2) maintaining records of the information used to verify the person's identity, including name, address, and other identifying information; and (3) determining whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency. The regulations are to take into consideration the various types of accounts maintained by various types of financial institutions, the various methods of opening accounts, and the various types of identifying information available. Regulations implementing section 5318(l) with respect to banks, savings associations, credit unions, and certain non-

¹ Language expanding the scope of the BSA to intelligence or counter-intelligence activities to protect against international terrorism was added by Section 358 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, P.L. 107-56.

federally regulated banks are found at 31 CFR 1020.220. Regulations implementing section 5318(l) with respect to futures commission merchants and introducing brokers in commodities are found at 31 CFR 1026.220.

In accordance with the requirements of the PRA and its implementing regulations, the following information is presented concerning the information collection below.

1. Title: Customer Identification Programs for Banks, Savings Associations, Credit Unions, and Certain Non-Federally Regulated Banks. (31 CFR 1020.220).

OMB Control Number): 1506-0026.

Abstract: Banks, savings associations, credit unions, and certain non-federally regulated banks are required to implement and maintain customer identification programs and provide their customers with notice of the programs. (*See* 68 FR 25090, May 9, 2003).

Current Action: Renewal without change to existing regulations.

Type of Review: Renewal of a currently approved information collection.

Affected Public: Business, other for-profit institutions, and not-for-profit institutions.

Burden:

- Estimated Number of Respondents: 15,960.²
- Estimated Average Annual Recordkeeping Burden per Respondent: 10 hours.³
- Estimated Average Annual Disclosure Burden per Respondent: 1 hour.
- Estimated Total Annual Respondent Burden: 175,560 hours.⁴

² This number is a total of the institutions represented in the 2017 annual reports of the following regulators: the National Credit Union Administration reported 5,573 institutions, the Federal Reserve reported 5,180 institutions, the Federal Deposit Insurance Corporation reported 3,636 institutions, the Office of the Comptroller of the Currency reported 1,446 institutions. In addition, a report from the Government Accountability Office indicated that approximately 125 credit unions were insured privately, for a total of 15,960 institutions.

³ FinCEN did not receive comments on the previous estimate of 10 hours of annual recordkeeping burden and 1 hour of annual disclosure burden per respondent.

⁴ 15,960 respondents multiplied by 11 hours equals 175,560 hours.

2. Title: Customer Identification Programs for Futures Commission Merchants and Introducing Brokers in Commodities (31 CFR 1026.220).

OMB Control Number: 1506-0022.

Abstract: Futures commission merchants and introducing brokers in commodities are required to implement and maintain customer identification programs and provide their customers with notice of the programs. (See 68 FR 25149, May 9, 2003).

Current Action: Renewal without change to existing regulations.

Type of Review: Renewal of a currently approved information collection.

Affected Public: Business and other for-profit institutions.

Burden:

- Estimated Number of Respondents: 1,228.⁵
- Estimated Average Annual Recordkeeping Burden per Respondent: 10 hours.⁶
- Estimated Average Annual Disclosure Burden per Respondent: 1 hour.
- Estimated Total Annual Respondent Burden: 13,508.⁷

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Records required to be retained under the BSA must be retained for five years. Generally, information collected pursuant to the BSA is confidential but may be shared as provided by law with regulatory and law enforcement authorities.

Request for Comments: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will

⁵ According to the National Futures Association, there are currently 1,164 registered introducing brokers in commodities, and 64 futures commission merchants.

⁶ FinCEN did not receive comments on the previous estimate of 10 hours of annual recordkeeping burden and 1 hour of annual disclosure burden per respondent.

⁷ 1,228 respondents multiplied by 11 hours equals 13,508 hours.

become a matter of public record. Comments are invited on: (a) whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance and purchase of services to provide information.

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